

EVENT VIOLATION
INSPECTOR'S STATEMENT
MINERALS REGULATORY PROGRAM

Company/Mine: Temple Strike Quarry
 Permit #: S/039/015

CO # MC-07-01-02
 Violation # 1 of 1

SERIOUSNESS

1. What type of event is applicable to the regulation cited? Refer to the DOGM reference list of event below and remember that **the event is NOT the same as the violation.** Mark and explain each event.

- | | | |
|-------------------------------------|----|--|
| <input type="checkbox"/> | a. | Activity outside the approved permit area. |
| <input type="checkbox"/> | b. | Injury to the public (public safety). |
| <input type="checkbox"/> | c. | Damage to property. |
| <input checked="" type="checkbox"/> | d. | Conducting activities without appropriate approvals. |
| <input type="checkbox"/> | e. | Environmental harm. |
| <input type="checkbox"/> | f. | Water pollution. |
| <input type="checkbox"/> | g. | Loss of reclamation/revegetation potential. |
| <input type="checkbox"/> | h. | Reduced establishment, diverse and effective vegetative cover. |
| <input type="checkbox"/> | i. | No event occurred as a result of the violation. |
| <input type="checkbox"/> | j. | Other. |

Explanation: The Operator has been conducting mining operations without providing a reclamation surety for this site.

2. Has the event or damage occurred? Yes
 If yes, describe it. If no, what would cause it to occur and what is the probability of the event(s) occurring? (None, Unlikely, Likely).

Explanation: The operator had not provided a reclamation surety or reclamation contract for approval after the timeframe had expired for providing these items.

3. Did any damage occur as a result of the violation? no
 If yes, describe the duration and extent of the damage or impact. How much damage may have occurred if the violation had not been discovered by a DOGM inspector? Describe this potential damage and whether or not it would extend off the disturbed and/or permit area.

Explanation: Operator has been operating a small mining operation (currently about 4.6 acres of disturbance) since April of 2001. Since the site was an active small mine prior to the Division's requirement for posting surety, the inspector does not consider not posting the surety as causing damage.

B. DEGREE OF FAULT (Check the statements which apply to the violation and discuss).

- ☐ Was the violation not the fault of the operator (due to vandalism or an act of God), explain. Remember that the permittee is considered responsible for the actions of all persons working on the mine site.

Explanation: _____

- ☒ Was the violation the result of not knowing about DOGM regulations, indifference to DOGM regulations or the result of lack of reasonable care.

Explanation: The operator had received several letters from the Division regarding the need to post a reclamation surety for his site. The inspector also met with the operator in November of 2006 regarding the subject of the surety and the amount required. During this inspection, the operator stated that he thought Division would follow-up this meeting with more detail regarding the amount of surety. It was explained that since the acreage and amount was known, he needed to contact the Division's bonding coordinator to obtain the appropriate forms for the type of surety he would use.

- ☐ If the actual or potential environmental harm or harm to the public should have been evident to a careful operator, describe the situation and what, if anything, the operator did to correct it prior to being cited.

Explanation: _____

- ☐ Was the operator in violation of a specific permit condition?

Explanation: _____

- ☐ Has DOGM cited the violation in the past? If so, give the dates and the type of warning or enforcement action taken.

Explanation: _____

Was any economic benefit gained by the operator for failure to comply? Yes
If yes explain. Operator was continuing to operate without providing the requisite surety for reclamation.

Explanation: _____

GOOD FAITH

Information regarding good faith is incomplete or not available at this time.

1. In order to receive good faith for compliance with an NOV or CO, the violation must have been abated before the abatement deadline. If you think this applies, describe how rapid compliance was achieved (give date) and describe the measures the operator took to comply as rapidly as possible.

Explanation: CO has not yet been terminated. The CO was issued on April 5, 2007, On April 9, his bank called to start the process to use a CD for the surety. No record that surety has been finalized.

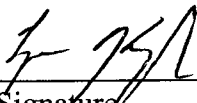
2. Explain whether or not the operator had the necessary resources on site to achieve compliance.

Explanation:

3. Was the submission of plans prior to physical activity required by this NOV / CO? NO

Explanation:

Lynn Kunzler
Authorized Representative


Signature

May 4, 2007
Date